

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

For Members
Only

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Department of Defense Issues Catalog of Food Items That May Be Purchased by QMC for Armed Forces Feeding

All items of food which the armed forces may stock, purchase, and issue are listed in a single catalog just published by the Department of Defense for use in military supply operations.

The document, *Federal Supply Catalog, Department of Defense, Subsistence*, is the first in a series to be prepared and published in a program to develop a single military supply catalog and related standardization program.

Importation of Farm Laborers

The N.C.A. this week formally protested the proposed regulations issued by the Attorney General to govern the conditions of entry into the United States of foreign agricultural workers (see INFORMATION LETTER of November 22, page 305).

In its protest, N.C.A. pointed out that the programs under which foreign agricultural workers have been brought into the country in the past have worked well not only to the benefit of farmers and other employers of the agricultural labor, the employees involved, but also to the country as a whole through maintenance of an adequate food supply.

The N.C.A. protest objected to (1) provisions of the proposed regulations which would require an employer of foreign agricultural labor to submit a statement from a labor organization showing whether the labor organization is in a position to supply labor at the prevailing wage, and whether the organization has any objection to the proposed importation; (2) a provision that the importing employer show his efforts to procure persons in the United States to perform the labor or service; and (3) the payment of a fee of \$10 for each person requested in the petition to the Immigration and Naturalization Service.

The N.C.A. suggested, in addition, that the Attorney General and the Secretary of State apply the principle of reciprocity in determining whether visas are to be required of foreign agricultural workers; and that the immigration regulations recognize that agricultural labor is distinct from other types of employment and that this recognition should be established in separate regulations dealing with agricultural labor.

The catalog lists 1,131 different food items considered by the Army, Navy, and Air Force to be adequate to meet all requirements. Except for purchases for resale, purchases will be limited to the items listed.

The list of 1,131 items reflects a reduction of 42 percent in the num-

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'The Canning Industry' Sent To Libraries as Reference Work

Distribution of *The Canning Industry* was made by the Information Division this week to 328 university and college libraries and to 481 municipal libraries of the cities of largest population. Copies also will be placed in local libraries of N.C.A. members, at the member's request, if such library has not already been supplied from these mailings.

The publication sets forth the many contributions to the public welfare made by the canning industry and its products (see INFORMATION LETTER of September 13, page 255). Efforts are being made by N.C.A. to place it where it will be available as a reference work to students, teachers, writers, speakers, commentators, and other individuals and agencies that influence the public.

Previous mailings have placed the publication in the reference files of food editors and advertising agencies that handle food accounts. Wide distribution to individual writers, editors and news and radio services was made during the publicity campaign on the Appert birthday anniversary. Separates of the various chapters have been prepared to handle inquiries that deal with specific phases of canning.

1953 Convention Reservations

The Conrad Hilton and Sherman Hotels in Chicago have begun to mail confirmations of room reservations for the 1953 Convention period. Both hotels expect to complete these mailings within the next few days.

Court Orders OPS to Expedite Harrison Amendment Decontrol

The Director of Price Stabilization was ordered by the Emergency Court of Appeals on December 3 to speed up his determination as to what items are to be decontrolled pursuant to the so-called Harrison amendment to the Defense Production Act.

When OPS failed to decontrol all fruits and vegetables in fresh or processed form, Safeway Stores, Incorporated, on September 25, filed with the Director of Price Stabilization a protest against CPR 15. Upon the failure of the Director to act upon the protest within the statutory period of 30 days, Safeway petitioned the Emergency Court of Appeals requesting that it issue an order directing OPS to act upon its protest.

The Director of OPS filed with the Emergency Court of Appeals objections to the granting of Safeway's petition, stating that many of the items listed in the protest and petition had been decontrolled by Amendment 10 to GOR 7, Revision 1. Safe-

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Termination of Renegotiation

The Renegotiation Board has amended its regulations so as to prescribe the manner in which it will treat amounts received or accrued and costs paid or incurred after the termination date but attributable to prior performance. The Act does not apply to receipts or accruals attributable to performance after December 31, 1953.

The amendment was issued as Part 1466 of the renegotiation regulations and was published in the *Federal Register* of December 3.

STATISTICS

Business Conditions

Latest statistical data on production, employment, inventories, sales, and prices reveal a relatively favorable position of business and industry generally.

Production and employment continue at record high levels.

Production

Total industrial production reached a new postwar peak during October, according to preliminary estimates by the Federal Reserve Board. The total index at 226 was only one point above the September level as increases in many industries were partially offset by a sharp decline in coal mining.

All of the major groups of both durable and nondurable manufactures showed substantial increases in September production.

Following are latest indexes of production for canned fruits and vegetables, with comparisons:

	Latest month* (1935-39 =100)	Percent change from	One month ago	One year ago
Total industry	226	+0.4	+ 3.7	
Manufactured food products	164	+1.3	- 1.8	
CANNED FRUITS AND VEGETABLES	132	+7.3	-12.3	

* Latest month October for total industry, September for others.

Employment

Employment in November of this year was the highest of record for any previous November, about a million above the previous record. The estimate of total civilian employment was 62,228,000 during the week ending November 8, not significantly greater than in October, but 900,000 higher than in November, 1951, according to the Bureau of the Census.

Unemployment in October reached a new postwar low of 1.3 million, and rose to 1.4 million in November. In spite of the rise, the jobless total remained well under the level of a year ago, and the proportion of all civilian workers who were unemployed was only 2.2 percent, as compared with 2.9 percent in November, 1951.

Latest employment data for the canning and preserving industry, with comparisons, are shown in the following table:

	Latest Month* (thousands)	Percent change from	One month ago	One year ago
Total employment....	61,863	- 0.8	+0.04	
Total manufacturing....	16,384	+ 1.9	+1.5	
CANNING AND PRESERVING	259	+22.6	-3.2	

* Latest month October for total employment, September for manufacturing, August for canning and preserving.

Sales and Inventories

Manufacturers' sales and new orders expanded during October, while inventories were unchanged and unfilled orders showed a slight decline, according to the Office of Business Economics, U. S. Department of Commerce.

Sales of all manufacturers rose nearly 4 percent, after seasonal adjustment, to a new high. Sales of apparel, food, and chemicals dominated the rise in deliveries in soft goods. Sales by the canning and preserving industry were up 22.4 percent in September above a year earlier. Sales by retail food stores were 12.9 percent above a year ago.

Inventories changed less than \$100 million during October, with durables increasing \$300 million, and nondurables dropping \$200 million. Inventories in the canning and preserving industry were valued at \$800 million, 5.7 percent less in September than a year ago. On the other hand, inventories in retail food stores had a value 5 percent above a year ago.

New orders received by all manufacturing industries were 3 percent higher in October than during September. This increase was at a much lower rate than that of the previous month, but was sufficient to raise the value of new business to the highest point of the year.

	Sept. 1952 (billion dollars)	Percent change from	Aug. 1952	Sept. 1951
Inventories:				
Total business	73.4	+ 1.0	+ 0.4	
Manufacturing	43.2	+ 0.2	+ 2.6	
Food and kindred products	3.4	- 2.9	- 5.6	
CANNING AND PRESERVING	0.8	+10.0	- 3.7	
Wholesale, total	9.9	- 5.7		
Retail, total	30.3	+ 3.8	- 3.8	
Food stores	2.1	+ 2.9	+ 5.0	
Sales:				
Total business	46.6	+ 7.1	+ 9.9	
Manufacturing	23.6	+ 7.8	+12.9	
Food and kindred products	3.2	+ 6.7	+ 6.7	
CANNING AND PRESERVING	0.3	+13.2	+22.4	
Wholesale, total	9.1	+ 8.3	+ 7.1	
Retail, total	12.8	+ 3.8	+ 6.2	
Food stores	2.5	+ 5.0	+12.9	

Prices

Prices received by farmers stood at 277 percent of the 1910-14 average on November 15, 5 points below the October index and 24 points below the index of a year ago. The parity ratio (the relationship of prices paid to prices received by farmers), had declined to 99 on November 15. This is the first month that the parity ratio had been below 100 since June, 1950 (pre-Korea).

Wholesale prices, after rising in July and August, declined during September and October, principally as a result of substantially lower prices for many farm products. The BLS wholesale index of all foods at 109.6 in October was 1.8 percent below a year earlier. Wholesale prices of canned fruits and vegetables were less than one percent above a year earlier, and wholesale prices of fresh fruits and vegetables were 20 and 15 percent, respectively, above a year earlier.

Although movements were irregular, strength in some leading commodities caused a mild upturn in the most recent wholesale commodity price index issued by Dun & Bradstreet, Inc. The index closed at 285.27 on December 2, up from 283.90 a week earlier, but well below the 311.23 a year ago.

Consumer prices fell 0.2 percent from mid-August to mid-September as a result of lower food prices. This was the first decline in retail prices since February. However, the BLS consumer price index rose again in October despite a continuing decline in retail food prices.

The BLS index for all foods at retail stood at 232.4 in October, 1.4 points below the September index and 3.1 points below the August index. The October index was 3.2 points above a year earlier.

Percentage Changes in BLS Wholesale and Retail Price Indexes

	Oct. 1951	Oct. 1952	Percent change
Wholesale:			
		(1947-49 = 100)	
All commodities	113.7	111.2	- 2.2
All foods	111.6	109.6	- 1.8
Farm products	111.5	104.9	- 5.9
Fruits, fresh	101.5	121.7	+19.9
Vegetables, fresh	92.5	106.3	+14.9
FRUITS AND JUICES, CANNED	105.0	105.7	+ 0.7
VEGETABLES AND SOUPS, CANNED	107.0	108.0	+ 0.9
Retail:			
		(1935-39 = 100)	
All commodities	187.4	190.8	+ 1.8
All foods	229.3	232.4	+ 1.4
Fresh fruits and vegetables	214.4	240.3	+12.1
CANNED FRUITS AND VEGETABLES	162.8	164.8	+ 1.2

Business Failures and New Incorporations

Commercial and industrial failures rose mildly to 148 in the week ended November 13 from 143 in the preceding week, according to Dun & Bradstreet, Inc. Casualties were heavier than a year ago when 109 occurred, but they remained below the 170 in the comparable week of 1950. Only one-half as many concerns failed as in the comparable week in prewar 1939 when 308 were recorded.

All of the upturn during the week was concentrated in manufacturing and wholesaling. The sharpest rise from the 1951 level took place in manufacturing where casualties were more than twice as numerous as a year ago.

New business incorporations increased moderately in September and totaled 7,529 for the month, according to Dun & Bradstreet. This was a rise of 441, or 6.2 percent, over the August number of 7,088, and it exceeded the September, 1951, total of 5,950 by 1,579, or 26.5 percent.

New business charters issued during the first nine months of the year totaled 69,581, compared with 63,635 during the similar 1951 period, or a gain of 9.3 percent.

Canned Foods Price Index

The N.C.A. canned foods price index for November was up 0.1 points above October.

Canned fruits were responsible for the combined index increase, rising from 104.4 in October to 104.7 in November. The canned vegetable index remained unchanged at 109.4.

The preliminary BLS retail food index for November 15 showed an increase of 1.5 percent in canned fruit and vegetable prices from October 15. However, the most recent weekly BLS wholesale price index, for the week ending November 25, showed a decline of 3.6 percent from October for processed foods.

N.C.A. Canned Foods Price Index
(1947-49=100)

Month	Canned Fruits and Vegetables	Canned Fruits	Canned Vegetables
May	104.8	102.9	106.1
June	103.9	102.1	105.0
July	104.6	103.2	105.4
August	105.3	103.4	106.8
September	106.6	103.8	108.8
October	107.2	104.4	109.4
November	107.3	104.7	109.4

FARM PRODUCTS

Citrus Export Program

An export payment program to encourage exports of fresh and processed oranges and grapefruit, effective December 5, has been announced by the Production and Marketing Administration, USDA.

The program is similar to programs which were in effect during the last four years. Its purpose is to help market the large citrus crops. Announcements containing full details of the program are being mailed to exporters and members of the citrus industry.

The announcements list eligible products, payment rates, and eligible countries. The final date for filing an application and for export under this program will be September 30, 1953.

PUBLICITY

Progressive Farmer

The November issue of the *Progressive Farmer* magazine featured a recipe and photograph from the National Cannery Association Kitchens. The feature entitled "Favored Foods for Thanksgiving" was illustrated by a photograph of "Pretty Angel Mousse Cake" which was filled with a fruit cocktail mixture. In giving the recipe, the food editor gave the following acknowledgment: "To complete this holiday meal, we acknowledge our appropriate 'thanks' to Home Economist Katherine R. Smith for this dessert."

Woman's Day

Woman's Day, the magazine distributed through all A & P stores, again features canned foods in its "Found Money" series of articles. In the December issue is an article "Beans Can't be Beat" in which canned foods are used in each of the six recipes. Canned foods used are tomatoes, red kidney beans, corned beef, dried beef, and baked beans.

The second "Found Money" feature is entitled "Sardine Budget-Stretchers." In the nine recipes using sardines the other canned foods used were cream of celery and cream of mushroom soup, and tomatoes.

Catalog of Food Items

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ber of food items originally cataloged by the three military departments. The reduction was accomplished largely by limiting container sizes, however, rather than by eliminating the number and variety of foods.

The catalog was prepared jointly by the Army, Navy, and Air Force in accordance with requirements of the Defense Supply Management Agency, which was established this year following enactment of the Defense Cataloging and Standardization Act.

This Act directs the military departments to use single-item identifications for all items repetitively used, purchased, stocked or distributed; and requires that these single-item identifications be used for all functions of supply, from initial procurement to final field or area disposal.

To accomplish this objective in the subsistence group, certain identifications provide for variations in commercially available packages, for special ration components, and for local use and export items.

The catalog lists each food according to federal stock number; identifies the food by name and type, class, and grade; and lists the applicable specification, whether federal or military.

Court Orders OPS to Expedite

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way's reply to these objections pointed out that there were still many items on which OPS had failed to take the proper legal action.

The Director then filed a response to this reply and informed the Court that Amendment 11 to GOR 7, Revision 1, decontrolled additional commodities. However, the Director remained silent as to the other items in the categories specified by Safeway over which he retained control. Among these were certain baby foods, jams, jellies, apple butter and other preserves and some canned soups.

The order of the Court requires the Director to act upon Safeway's protest within 20 days. He either must decontrol the additional items mentioned therein, or deny the protest and furnish the reasons for the denial.

OPS announced on December 5 that it would make the required determination within the prescribed 20-day period.

MEETINGS

N.C.A. Speakers Address State Association Meetings

N.C.A. officers and staff this week addressed meetings of state canners associations in Michigan, Maine, Ohio, and New York. President Fred C. Heinz spoke at two of these conventions.

At the annual convention of the Ohio Canners Association, Mr. Heinz said that canned foods are selling at stable prices because of high production and lively competition which characterize the canning industry.

In discussing current prospects for easing of federal regulations on business, he said that the canning industry has always looked to free enterprise, the exercise of the profit incentive, and the law of supply and demand to care for canned foods buyers.

At the 67th annual convention of the New York State Canners and Freezers Association, Inc., Mr. Heinz credited food canners and machinery manufacturers of the Empire State with inventing and first putting to use many of the scientific devices that have enabled the canning industry to grow to its present importance.

He pointed out that many of the devices used in husking and cutting corn, vining and shelling peas, and the present-day tin can were developed in New York State, as the result of research and experiments that began at the close of the Civil War.

Mr. Heinz paid special tribute to the contributions made by machinery and supply people that have helped make possible the extensive growth of canning. He declared:

"The historians sometimes overemphasize the impetus given to canning by wars. Canning indeed was a war baby, born during Napoleon's struggles with most of the nations of Europe, and it is true that our Civil War and the world wars of this century resulted in spectacular increases in canned foods production.

"It is a tribute to canned foods that governments in such emergencies recognize the safety, utility, and healthfulness of our products, and that usually the armies that have the most canned foods are the victors. It is a tribute also that the taste for canned foods engendered in these fighting men is carried back into their civilian eating habits. Each war, to

be sure, has created vast new numbers of canned foods consumers.

"But I prefer to think that, while less spectacular and dramatic, the sound and steady growth of canned foods consumption and production is really established between wars, when canners and their machinery and supply men can apply their inventiveness and skill in workshop, laboratory, and cannery, to build improved equipment and to create more efficient methods and tools."

N.C.A. Vice President Louis Ratzesberger, Jr., in addressing the annual meeting of the Maine Canners Association, pointed out that when the housewife leaves the grocery store with the impression that all food prices are high, she isn't taking prices of canned foods into account.

Mr. Ratzesberger said that retail prices of canned fruits and vegetables have advanced since prewar, but only half as much as average income, with the result that the housewife today can buy 70 percent more canned foods than she could have purchased with average weekly earnings during 1935-39. That consumers have recognized the benefits of their new economic status is evidenced, Mr. Ratzesberger said, by the fact that they are consuming more canned foods than prewar.

Secretary Carlos Campbell told Michigan canners at their fall meet-

In telephoning the
National Canners Association's
headquarters in Washington, D.C.,

call

Executive 3-7030

—the new telephone number for
N.C.A. in Washington

ing that "the real cost of canned foods to the consumer not only has not advanced but actually has declined to less than half of what it was 30 years ago."

Because of public misunderstanding, Mr. Campbell said, many people do not realize that the farmer actually receives 100 percent of the so-called "food dollar" and that the canner's share of "marketing charges" represents payment for his services in cleaning, trimming, cooking, packaging, and delivering a canned product virtually ready to serve at the family dinner table.

These and other pertinent statements by these speakers were reproduced by N.C.A. in press releases which were distributed to daily and weekly newspapers, to reporters at the meetings, and to canning trade papers.

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